# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2012**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____

**B** This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

**D** Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
AVIDYNE CORPORATION 401(K) RETIREMENT PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/1998

**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

AVIDYNE CORPORATION

55 OLD BEDFORD RD
LINCOLN, MA 01773-1125

55 OLD BEDFORD RD
LINCOLN, MA 01773-1125

**2b** Employer Identification Number (EIN)
04-3213876

**2c** Sponsor's telephone number
781-402-7416

**2d** Business code (see instructions)
335900

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2013 | FRANCIS SINGLETON |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2013 | FRANCIS SINGLETON |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

AVIDYNE CORPORATION

55 OLD BEDFORD RD
LINCOLN, MA 01773-1125

**3b** Administrator's EIN: 04-3213876

**3c** Administrator's telephone number: 781-402-7416

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 193 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 132 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 56 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 188 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 1 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 189 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 113 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | ☐ | Insurance |
| **(2)** | ☐ | Code section 412(e)(3) insurance contracts |
| **(3)** | ☒ | Trust |
| **(4)** | ☐ | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | ☐ | Insurance |
| **(2)** | ☐ | Code section 412(e)(3) insurance contracts |
| **(3)** | ☒ | Trust |
| **(4)** | ☐ | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | ☒ | **R** (Retirement Plan Information) |
| **(2)** | ☐ | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | ☐ | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | |
|---|---|---|
| **(1)** | ☒ | **H** (Financial Information) |
| **(2)** | ☐ | **I** (Financial Information – Small Plan) |
| **(3)** | ☐ | **A** (Insurance Information) |
| **(4)** | ☒ | **C** (Service Provider Information) |
| **(5)** | ☐ | **D** (DFE/Participating Plan Information) |
| **(6)** | ☐ | **G** (Financial Transaction Schedules) |

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2012**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
AVIDYNE CORPORATION 401(K) RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
AVIDYNE CORPORATION

**D** Employer Identification Number (EIN)
04-3213876

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FID.INV.INST.OPS.CO.

04-2647786

**(b)** Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 64 37 65 60 | RECORDKEEPER | 1230 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| ABF LG CAP VAL INV - STATE STREET B 225 FRANKLIN STREET BOSTON, MA 02111 | 0.40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| COL/ACORN INTL Z - COLUMBIA MGT INV P.O. BOX 8081 BOSTON, MA 02266-8081 | 0.40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| GS MID CAP VALUE A - GOLDMAN, SACHS 13-5108880 | 0.35% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| HTFD SM CAP GROWTH Y - HARTFORD ADM<br><br>41-0679409 | 0.35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| NB INTL FUND TRUST - STATE STREET B<br><br>04-0025081 | 0.40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| RAINIER SM/MID CAP - U.S. BANCORP F P.O. BOX 701<br>MILWAUKEE, WI 53201 | 0.35% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| ROYCE OPPORTUNITY S - BOSTON FINANC P.O. BOX 8480 BOSTON, MA 02266 | 0.45% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| RS PARTNERS A - BOSTON FINANCIAL DA P.O. BOX 8480 BOSTON, MA 02266 | 0.55% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
AVIDYNE CORPORATION 401(K) RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
AVIDYNE CORPORATION

**D** Employer Identification Number (EIN)
04-3213876

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 382505 | 345723 |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 70446 | 55700 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 3986842 | 4890343 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 4439793 | 5291766 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 4439793 | 5291766 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | | |
| **(B)** Participants | 2a(1)(B) | 373053 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 34598 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 407651 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 37 | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | 3697 | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 3734 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 113423 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 113423 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| **(B)** Other | 2b(5)(B) | | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 518536 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1043344 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 190037 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 190037 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: **(1)** Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | 1334 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 1334 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 191371 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 851973 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: MFA **(2)** EIN: 04-3077056

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 500000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | | X | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | X | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ **Yes** ☒ **No**

If "Yes," enter the amount of any plan assets that reverted to the employer this year **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |

## Part V Trust Information (optional)

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
AVIDYNE CORPORATION 401(K) RETIREMENT PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
AVIDYNE CORPORATION

**D** Employer Identification Number (EIN)
04-3213876

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | | |
|---|---|---|---|
| **a** | The current year | **14a** | |
| **b** | The plan year immediately preceding the current plan year | **14b** | |
| **c** | The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | | |
|---|---|---|---|
| **a** | The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** | The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | | |
|---|---|---|---|
| **a** | Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** | If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

# AVIDYNE CORPORATION
# 401(K) RETIREMENT PLAN

## FINANCIAL STATEMENTS

## DECEMBER 31, 2012 AND 2011

Proactive certified public accounting and consulting

To the Plan Administrator
Avidyne Corporation 401(k) Retirement Plan
Lincoln, Massachusetts

## INDEPENDENT AUDITORS' REPORT

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Avidyne Corporation 401(k) Retirement Plan (the "Plan"), which comprise the statements of net assets available for plan benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2012, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of December 31, 2012 and 2011, and for the year ended December 31, 2012, that the information provided to the Plan Administrator by the trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule of assets held for investment purposes at end of year as of December 31, 2012 is required by the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Moody, Famiglietti & Andronico, LLP

Moody, Famiglietti & Andronico, LLP
Tewksbury, Massachusetts
October 10, 2013

| **December 31** | **2012** | 2011 |
|---|---|---|
| **Assets** | | |
| Investments: | | |
| Cash Equivalents | **$ 345,723** | $ 382,505 |
| Investments at Fair Value | **4,890,343** | 3,986,842 |
| Total Investments | **5,236,066** | 4,369,347 |
| Notes Receivable from Participants | **55,700** | 70,446 |
| **Net Assets Available for Plan Benefits** | **$ 5,291,766** | $ 4,439,793 |

| **For the Year Ended December 31** | | **2012** |
|---|---|---|
| Additions to Net Assets: | | |
| Net Appreciation in Fair Value of Investments | $ | 518,536 |
| Participants' Contributions | | 373,053 |
| Interest and Dividend Income from Investments | | 113,460 |
| Rollover Contributions | | 34,598 |
| Interest Income on Notes Receivable from Participants | | 3,697 |
| Total Additions | | 1,043,344 |
| Deductions from Net Assets: | | |
| Distributions to Participants | | 190,037 |
| Administrative Expenses | | 1,334 |
| Total Deductions | | 191,371 |
| Net Increase in Net Assets Available for Plan Benefits | | 851,973 |
| Net Assets Available for Plan Benefits, Beginning of Year | | 4,439,793 |
| Net Assets Available for Plan Benefits, End of Year | $ | 5,291,766 |

**1. Description of the Plan:**

The following description of Avidyne Corporation 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information regarding the terms of the Plan.

*General*: The Plan is a defined contribution plan covering all eligible employees of Avidyne Corporation (the "Plan Sponsor"). The Plan was established to provide a systematic savings plan for eligible employees (the "Participants"). Employees become eligible for participation in the Plan on their date of hire and attainment of age 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

*Contributions*: The Plan provides for employee pre-tax contributions. Participants may contribute up to 80% of their pre-tax compensation, subject to the Internal Revenue Code (IRC) limitations. Rollover contributions from other qualified plans are allowed, with the approval of the Plan Administrator.

The Plan provides that Participants who are projected to be age 50 or older by the end of the calendar year and who are making deferral contributions to the Plan may also make a catch-up contribution subject to IRC limitations.

*Participant Accounts*: Each Participant's account is credited with the Participant's contributions and allocations of (a) the Plan Sponsor's contributions, (b) Plan earnings or losses, and (c) charged with an allocation of administrative expenses, if any. Allocations are based on Participant earnings or account balances, as defined. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's vested account.

*Vesting*: Participants are immediately vested 100% in their contributions plus actual earnings thereon. Participants are 100% vested in the Plan Sponsor contributions and the actual earnings thereon after completion of four years of credited service. Participant vesting in the Plan based upon years of service is as follows:

| Years of Service from Date of Hire | Vested Percentage of Matching Contributions |
|---|---|
| 1 | 25% |
| 2 | 50% |
| 3 | 75% |
| 4 | 100% |

*Notes Receivable from Participants*: Participants may borrow from their Plan accounts in amounts attributable to the Participant's vested balance, for a maximum term of five years. If the loan is for the purchase of a principal residence, the term of the loan may be extended. A Participant may borrow the lesser of 50% of his or her eligible balance up to $50,000. The minimum loan amount is $1,000 and only one loan can be outstanding at any time. The loan balance is secured by the Participant's account and bears interest at rates which are commensurate with local prevailing rates as determined quarterly by the payroll administrator. Principal and interest is paid ratably through payroll deductions.

*Benefits and Withdrawals*: The vested benefits are paid to the Participants or their beneficiaries upon the Participants' retirement, death, disability or termination of employment with the Plan Sponsor. In the event of the above, the Participants or their beneficiaries will receive a lump sum distribution if the account has a value of less than $1,000. Participants whose account balances exceed $1,000 may elect a lump sum distribution or may leave their vested balance in the Plan.

Hardship withdrawals are permitted by the Plan as defined in the IRC. Participants may also withdraw their vested account balance upon attaining age 59 ½.

*Forfeited Accounts*: Forfeited amounts related to Plan Sponsor's discretionary matching contributions are used to reduce future Plan Sponsor contributions and expenses. Forfeited amounts related to Plan Sponsor's nonmatching discretionary contributions are reallocated to Participant accounts as additional nonmatching contributions. During the year ended December 31, 2012, the Plan Sponsor did not use any forfeitures to reduce its discretionary matching contributions or expenses. As of December 31, 2012 and 2011, the Plan had forfeitures available to offset future Plan Sponsor's matching contributions and expenses in the amounts of $10,698 and $3,779, respectively.

**2. Significant Accounting Policies:**

*Basis of Accounting*: The financial statements of the Plan are prepared under the accrual method of accounting.

*Investment Valuation and Income Recognition*: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

*Notes Receivable from Participants*: Notes receivable from Participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2012 and 2011. If a Participant ceases to make loan repayments and the Plan Administrator deems the Participant loan to be in default, the note receivable balance is reduced and a benefit payment is recorded.

*Payment of Benefits*: Benefits are recorded when paid.

*Expenses*: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Fees related to the administration of notes receivable from Participants are charged directly to the Participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation in fair value of investments.

*Use of Estimates*: The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

*Subsequent Events*: The Plan Administrator has evaluated subsequent events through October 10, 2013, the date the financial statements were available to be issued.

**3. Investments:**

The following presents investments that represent 5% or more of the Plan's net assets at December 31:

| | 2012 | 2011 |
|---|---|---|
| Cash Equivalents: | | |
| Fidelity Retirement Money Market Fund | $ 345,723 | |
| Mutual Funds: | | |
| Fidelity Capital Appreciation Fund | 684,563 | |
| Fidelity Balanced Fund | 378,133 | |
| Fidelity International Discovery Fund | 339,710 | |
| Fidelity Freedom 2010 Fund | 338,326 | |
| Fidelity Spartan 500 Index Fund | 279,930 | |
| Fidelity Total Bond Fund | 276,383 | |
| Cash Equivalents: | | |
| Fidelity Retirement Money Market Fund | | $ 382,505 |
| Mutual Funds: | | |
| Fidelity Capital Appreciation Fund | | 554,355 |
| Fidelity Balanced Fund | | 307,422 |
| Fidelity Total Bond Fund | | 283,395 |
| Fidelity International Discovery Fund | | 274,607 |
| Fidelity Freedom 2010 Fund | | 268,619 |
| Fidelity Spartan 500 Index Fund | | 229,721 |

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $518,536, all of which is attributable to mutual funds.

**4. Fair Value:**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are are deemed to be actively traded. There have been no changes in the methodologies used for the years ended December 31, 2012 and 2011.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**4. Fair Value (Continued):**

The following table sets forth, by level within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2012 and 2011.

| | | Investment Assets at Fair Value as of December 31, 2012 | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash Equivalents: | | | | |
| Money Market Funds | $ 345,723 | $ 345,723 | $ - | $ - |
| Mutual Funds: | | | | |
| Asset Allocation Funds | 1,291,817 | 1,291,817 | - | - |
| Growth Funds | 1,172,041 | 1,172,041 | - | - |
| Domestic Equity Funds | 1,074,952 | 1,074,952 | - | - |
| Fixed Income Funds | 511,131 | 511,131 | - | - |
| International Equity Funds | 357,341 | 357,341 | - | - |
| Value Funds | 326,898 | 326,898 | - | - |
| Convertible Funds | 111,419 | 111,419 | - | - |
| Real Estate Funds | 44,744 | 44,744 | - | - |
| Total Investments | $ 5,236,066 | $ 5,236,066 | $ - | $ - |

| | | Investment Assets at Fair Value as of December 31, 2011 | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash Equivalents: | | | | |
| Money Market Funds | $ 382,505 | $ 382,505 | $ - | $ - |
| Mutual Funds: | | | | |
| Asset Allocation Funds | 1,015,140 | 1,015,140 | - | - |
| Growth Funds | 947,635 | 947,635 | - | - |
| Domestic Equity Funds | 873,362 | 873,362 | - | - |
| Fixed Income Funds | 473,155 | 473,155 | - | - |
| International Equity Funds | 294,459 | 294,459 | - | - |
| Value Funds | 255,301 | 255,301 | - | - |
| Convertible Funds | 91,538 | 91,538 | - | - |
| Real Estate Funds | 36,252 | 36,252 | - | - |
| Total Investments | $ 4,369,347 | $ 4,369,347 | $ - | $ - |

**5. Party-in-Interest Transactions:**

Certain Plan investments are shares of mutual funds managed by Fidelity Management Trust Company, trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for plan benefits for the year ended December 31, 2012. During the year ended December 31, 2012, the Plan made a direct payment to the third party administrator of $1,334 which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

**6. Tax Status:**

The Plan has adopted the volume submitter profit sharing plan of Fidelity. The volume submitter profit sharing plan sponsor received a favorable opinion letter dated March 31, 2008 in which the Internal Revenue Service stated that the form of the volume submitter profit sharing plan was in compliance with the applicable requirements of the IRC. The volume submitter profit sharing plan has been amended since receiving the opinion letter; however, the Plan Administrator believes that the Plan and the related trust are currently being operated in compliance with the applicable provisions of the IRC, and that the related trust is therefore tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and to recognize a tax liability (or asset) if the Plan Sponsor has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator believes it has no uncertain tax positions as of December 31, 2012 and 2011 and for the year ended December 31, 2012.

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

**7. Plan Termination:**

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, Participants would become fully vested in their employer contributions.

**8. Risks and Uncertainties:**

Participants invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect Participants' account balances and the amounts reported in the accompanying statements of net assets available for plan benefits.

**9. Information Certified by the Trustee:**

The Plan Sponsor has elected the method of compliance permitted under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Accordingly, no auditing procedures with respect to the information certified by Fidelity Management Trust Company, the trustee of the Plan, were performed by the independent auditors except for comparing the information to the financial statements and supplemental schedule. The trustee has certified as to the completeness and accuracy of the investments (including notes receivable from participants) held by the Plan as of December 31, 2012 and 2011, the investment earnings and the other investment-related transactions of the Plan for the year ended December 31, 2012, and the information contained in the accompanying supplemental schedule of assets held for investment purposes at end of year as of December 31, 2012.

Assets held by the Plan for investment purposes as of December 31, 2012, are summarized as follows:

| (a) | (b) Identity of Issue, Borrower, Lessor or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | | Cash Equivalents: | | |
| * | Fidelity | Fidelity Retirement Money Market Fund | ** | $ 345,723 |
| | | Mutual Funds: | | |
| * | Fidelity | Fidelity Capital Appreciation Fund | ** | 684,563 |
| * | Fidelity | Fidelity Balanced Fund | ** | 378,133 |
| * | Fidelity | Fidelity International Discovery Fund | ** | 339,710 |
| * | Fidelity | Fidelity Freedom 2010 Fund | ** | 338,326 |
| * | Fidelity | Fidelity Spartan 500 Index Fund | ** | 279,930 |
| * | Fidelity | Fidelity Total Bond Fund | ** | 276,383 |
| * | Fidelity | Fidelity Leverage Company Stock Fund | ** | 246,718 |
| * | Fidelity | Fidelity Freedom 2020 Fund | ** | 239,573 |
| * | Fidelity | Fidelity Equity Income Fund | ** | 191,681 |
| | Rainier | Rainier Small/Mid Cap Fund | ** | 180,538 |
| * | Fidelity | Fidelity Freedom 2035 Fund | ** | 178,457 |
| * | Fidelity | Fidelity Mid Cap Growth Fund | ** | 170,662 |
| * | Fidelity | Fidelity Spartan US Bond Index Fund | ** | 161,661 |
| * | Fidelity | Fidelity Small Cap Stock Fund | ** | 148,394 |
| * | Fidelity | Fidelity Emerging Markets Fund | ** | 129,045 |
| | RS Partners | RS Partners A Fund | ** | 117,442 |
| * | Fidelity | Fidelity Convertible Securities Fund | ** | 111,419 |
| * | Fidelity | Fidelity Independence Fund | ** | 91,069 |
| * | Fidelity | Spartan Extended Market Index Adv Fund | ** | 73,542 |
| * | Fidelity | Fidelity Disciplined Equity Fund | ** | 53,064 |
| * | Fidelity | Fidelity Intermediate Bond Fund | ** | 51,028 |
| | ABF | ABF Large Cap Value Fund | ** | 49,354 |
| * | Fidelity | Fidelity Freedom 2040 Fund | ** | 47,189 |
| * | Fidelity | Fidelity Freedom 2030 Fund | ** | 46,668 |
| * | Fidelity | Fidelity Value Fund | ** | 45,495 |
| * | Fidelity | Fidelity Real Estate Investment Fund | ** | 44,744 |
| * | Fidelity | Fidelity Freedom 2025 Fund | ** | 38,598 |
| | Royce | Royce Opportunity Fund | ** | 28,955 |
| * | Fidelity | Fidelity Fund | ** | 26,817 |
| * | Fidelity | Fidelity Small Cap Independent Fund | ** | 24,031 |
| | Hartford | HTFD Small Cap Growth Fund | ** | 21,178 |
| * | Fidelity | Fidelity Freedom Income Fund | ** | 19,724 |
| | Neuberger Berman | NB International Fund Trust Fund | ** | 17,631 |
| * | Fidelity | Fidelity Freedom 2045 Fund | ** | 13,052 |
| * | Fidelity | Fidelity Freedom 2000 Fund | ** | 11,593 |
| | Goldman Sachs | GS Mid Cap Value Fund | ** | 11,413 |
| * | Fidelity | Fidelity Ultrashort Bond Fund | ** | 2,335 |
| * | Fidelity | Fidelity Freedom 2015 Fund | ** | 114 |
| * | Fidelity | Fidelity Freedom 2005 Fund | ** | 114 |
| | | Total Investments | | $ 5,236,066 |
| * | Participants | Notes Receivable from Participants, with interest rates ranging from 5.50% to 9.00%, maturing through May 2017 | ** | $ 55,700 |

(*) Represents a party-in-interest to the Plan.

(**) Cost information may be omitted for the participant-directed transactions under an individual account plan.

1 Highwood Drive, Tewksbury, MA  01876

MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

# AVIDYNE CORPORATION
# 401(K) RETIREMENT PLAN

## FINANCIAL STATEMENTS

## DECEMBER 31, 2012 AND 2011

Proactive certified public accounting and consulting

To the Plan Administrator
Avidyne Corporation 401(k) Retirement Plan
Lincoln, Massachusetts

## INDEPENDENT AUDITORS' REPORT

**Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Avidyne Corporation 401(k) Retirement Plan (the "Plan"), which comprise the statements of net assets available for plan benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2012, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of December 31, 2012 and 2011, and for the year ended December 31, 2012, that the information provided to the Plan Administrator by the trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule of assets held for investment purposes at end of year as of December 31, 2012 is required by the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Moody, Famiglietti & Andronico, LLP

Moody, Famiglietti & Andronico, LLP
Tewksbury, Massachusetts
October 10, 2013

| **December 31** | **2012** | 2011 |
|---|---|---|
| **Assets** | | |
| Investments: | | |
| Cash Equivalents | **$ 345,723** | $ 382,505 |
| Investments at Fair Value | **4,890,343** | 3,986,842 |
| Total Investments | **5,236,066** | 4,369,347 |
| Notes Receivable from Participants | **55,700** | 70,446 |
| **Net Assets Available for Plan Benefits** | **$ 5,291,766** | $ 4,439,793 |

| **For the Year Ended December 31** | | **2012** |
|---|---|---|
| Additions to Net Assets: | | |
| Net Appreciation in Fair Value of Investments | $ | 518,536 |
| Participants' Contributions | | 373,053 |
| Interest and Dividend Income from Investments | | 113,460 |
| Rollover Contributions | | 34,598 |
| Interest Income on Notes Receivable from Participants | | 3,697 |
| Total Additions | | 1,043,344 |
| Deductions from Net Assets: | | |
| Distributions to Participants | | 190,037 |
| Administrative Expenses | | 1,334 |
| Total Deductions | | 191,371 |
| Net Increase in Net Assets Available for Plan Benefits | | 851,973 |
| Net Assets Available for Plan Benefits, Beginning of Year | | 4,439,793 |
| Net Assets Available for Plan Benefits, End of Year | $ | 5,291,766 |

**1. Description of the Plan:**

The following description of Avidyne Corporation 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information regarding the terms of the Plan.

*General*: The Plan is a defined contribution plan covering all eligible employees of Avidyne Corporation (the "Plan Sponsor"). The Plan was established to provide a systematic savings plan for eligible employees (the "Participants"). Employees become eligible for participation in the Plan on their date of hire and attainment of age 21. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

*Contributions*: The Plan provides for employee pre-tax contributions. Participants may contribute up to 80% of their pre-tax compensation, subject to the Internal Revenue Code (IRC) limitations. Rollover contributions from other qualified plans are allowed, with the approval of the Plan Administrator.

The Plan provides that Participants who are projected to be age 50 or older by the end of the calendar year and who are making deferral contributions to the Plan may also make a catch-up contribution subject to IRC limitations.

*Participant Accounts*: Each Participant's account is credited with the Participant's contributions and allocations of (a) the Plan Sponsor's contributions, (b) Plan earnings or losses, and (c) charged with an allocation of administrative expenses, if any. Allocations are based on Participant earnings or account balances, as defined. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's vested account.

*Vesting*: Participants are immediately vested 100% in their contributions plus actual earnings thereon. Participants are 100% vested in the Plan Sponsor contributions and the actual earnings thereon after completion of four years of credited service. Participant vesting in the Plan based upon years of service is as follows:

| Years of Service from Date of Hire | Vested Percentage of Matching Contributions |
|---|---|
| 1 | 25% |
| 2 | 50% |
| 3 | 75% |
| 4 | 100% |

*Notes Receivable from Participants*: Participants may borrow from their Plan accounts in amounts attributable to the Participant's vested balance, for a maximum term of five years. If the loan is for the purchase of a principal residence, the term of the loan may be extended. A Participant may borrow the lesser of 50% of his or her eligible balance up to $50,000. The minimum loan amount is $1,000 and only one loan can be outstanding at any time. The loan balance is secured by the Participant's account and bears interest at rates which are commensurate with local prevailing rates as determined quarterly by the payroll administrator. Principal and interest is paid ratably through payroll deductions.

*Benefits and Withdrawals*: The vested benefits are paid to the Participants or their beneficiaries upon the Participants' retirement, death, disability or termination of employment with the Plan Sponsor. In the event of the above, the Participants or their beneficiaries will receive a lump sum distribution if the account has a value of less than $1,000. Participants whose account balances exceed $1,000 may elect a lump sum distribution or may leave their vested balance in the Plan.

Hardship withdrawals are permitted by the Plan as defined in the IRC. Participants may also withdraw their vested account balance upon attaining age 59 ½.

*Forfeited Accounts*: Forfeited amounts related to Plan Sponsor's discretionary matching contributions are used to reduce future Plan Sponsor contributions and expenses. Forfeited amounts related to Plan Sponsor's nonmatching discretionary contributions are reallocated to Participant accounts as additional nonmatching contributions. During the year ended December 31, 2012, the Plan Sponsor did not use any forfeitures to reduce its discretionary matching contributions or expenses. As of December 31, 2012 and 2011, the Plan had forfeitures available to offset future Plan Sponsor's matching contributions and expenses in the amounts of $10,698 and $3,779, respectively.

**2. Significant Accounting Policies:**

*Basis of Accounting*: The financial statements of the Plan are prepared under the accrual method of accounting.

*Investment Valuation and Income Recognition*: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

*Notes Receivable from Participants*: Notes receivable from Participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2012 and 2011. If a Participant ceases to make loan repayments and the Plan Administrator deems the Participant loan to be in default, the note receivable balance is reduced and a benefit payment is recorded.

*Payment of Benefits*: Benefits are recorded when paid.

*Expenses*: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Fees related to the administration of notes receivable from Participants are charged directly to the Participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation in fair value of investments.

*Use of Estimates*: The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

*Subsequent Events*: The Plan Administrator has evaluated subsequent events through October 10, 2013, the date the financial statements were available to be issued.

**3. Investments:**

The following presents investments that represent 5% or more of the Plan's net assets at December 31:

| | 2012 | 2011 |
|---|---|---|
| Cash Equivalents: | | |
| Fidelity Retirement Money Market Fund | $ 345,723 | |
| Mutual Funds: | | |
| Fidelity Capital Appreciation Fund | 684,563 | |
| Fidelity Balanced Fund | 378,133 | |
| Fidelity International Discovery Fund | 339,710 | |
| Fidelity Freedom 2010 Fund | 338,326 | |
| Fidelity Spartan 500 Index Fund | 279,930 | |
| Fidelity Total Bond Fund | 276,383 | |
| Cash Equivalents: | | |
| Fidelity Retirement Money Market Fund | | $ 382,505 |
| Mutual Funds: | | |
| Fidelity Capital Appreciation Fund | | 554,355 |
| Fidelity Balanced Fund | | 307,422 |
| Fidelity Total Bond Fund | | 283,395 |
| Fidelity International Discovery Fund | | 274,607 |
| Fidelity Freedom 2010 Fund | | 268,619 |
| Fidelity Spartan 500 Index Fund | | 229,721 |

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $518,536, all of which is attributable to mutual funds.

**4. Fair Value:**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily Net Asset Value (NAV) and to transact at that price. The mutual funds held by the Plan are are deemed to be actively traded. There have been no changes in the methodologies used for the years ended December 31, 2012 and 2011.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**4. Fair Value (Continued):**

The following table sets forth, by level within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2012 and 2011.

| | | Investment Assets at Fair Value as of December 31, 2012 | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash Equivalents: | | | | |
| Money Market Funds | $ 345,723 | $ 345,723 | $ - | $ - |
| Mutual Funds: | | | | |
| Asset Allocation Funds | 1,291,817 | 1,291,817 | - | - |
| Growth Funds | 1,172,041 | 1,172,041 | - | - |
| Domestic Equity Funds | 1,074,952 | 1,074,952 | - | - |
| Fixed Income Funds | 511,131 | 511,131 | - | - |
| International Equity Funds | 357,341 | 357,341 | - | - |
| Value Funds | 326,898 | 326,898 | - | - |
| Convertible Funds | 111,419 | 111,419 | - | - |
| Real Estate Funds | 44,744 | 44,744 | - | - |
| Total Investments | $ 5,236,066 | $ 5,236,066 | $ - | $ - |

| | | Investment Assets at Fair Value as of December 31, 2011 | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Cash Equivalents: | | | | |
| Money Market Funds | $ 382,505 | $ 382,505 | $ - | $ - |
| Mutual Funds: | | | | |
| Asset Allocation Funds | 1,015,140 | 1,015,140 | - | - |
| Growth Funds | 947,635 | 947,635 | - | - |
| Domestic Equity Funds | 873,362 | 873,362 | - | - |
| Fixed Income Funds | 473,155 | 473,155 | - | - |
| International Equity Funds | 294,459 | 294,459 | - | - |
| Value Funds | 255,301 | 255,301 | - | - |
| Convertible Funds | 91,538 | 91,538 | - | - |
| Real Estate Funds | 36,252 | 36,252 | - | - |
| Total Investments | $ 4,369,347 | $ 4,369,347 | $ - | $ - |

**5. Party-in-Interest Transactions:**

Certain Plan investments are shares of mutual funds managed by Fidelity Management Trust Company, trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for plan benefits for the year ended December 31, 2012. During the year ended December 31, 2012, the Plan made a direct payment to the third party administrator of $1,334 which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

**6. Tax Status:**

The Plan has adopted the volume submitter profit sharing plan of Fidelity. The volume submitter profit sharing plan sponsor received a favorable opinion letter dated March 31, 2008 in which the Internal Revenue Service stated that the form of the volume submitter profit sharing plan was in compliance with the applicable requirements of the IRC. The volume submitter profit sharing plan has been amended since receiving the opinion letter; however, the Plan Administrator believes that the Plan and the related trust are currently being operated in compliance with the applicable provisions of the IRC, and that the related trust is therefore tax-exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and to recognize a tax liability (or asset) if the Plan Sponsor has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator believes it has no uncertain tax positions as of December 31, 2012 and 2011 and for the year ended December 31, 2012.

The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

**7. Plan Termination:**

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, Participants would become fully vested in their employer contributions.

**8. Risks and Uncertainties:**

Participants invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect Participants' account balances and the amounts reported in the accompanying statements of net assets available for plan benefits.

**9. Information Certified by the Trustee:**

The Plan Sponsor has elected the method of compliance permitted under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Accordingly, no auditing procedures with respect to the information certified by Fidelity Management Trust Company, the trustee of the Plan, were performed by the independent auditors except for comparing the information to the financial statements and supplemental schedule. The trustee has certified as to the completeness and accuracy of the investments (including notes receivable from participants) held by the Plan as of December 31, 2012 and 2011, the investment earnings and the other investment-related transactions of the Plan for the year ended December 31, 2012, and the information contained in the accompanying supplemental schedule of assets held for investment purposes at end of year as of December 31, 2012.

Assets held by the Plan for investment purposes as of December 31, 2012, are summarized as follows:

| (a) | (b) Identity of Issue, Borrower, Lessor or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | | Cash Equivalents: | | |
| * | Fidelity | Fidelity Retirement Money Market Fund | ** | $ 345,723 |
| | | Mutual Funds: | | |
| * | Fidelity | Fidelity Capital Appreciation Fund | ** | 684,563 |
| * | Fidelity | Fidelity Balanced Fund | ** | 378,133 |
| * | Fidelity | Fidelity International Discovery Fund | ** | 339,710 |
| * | Fidelity | Fidelity Freedom 2010 Fund | ** | 338,326 |
| * | Fidelity | Fidelity Spartan 500 Index Fund | ** | 279,930 |
| * | Fidelity | Fidelity Total Bond Fund | ** | 276,383 |
| * | Fidelity | Fidelity Leverage Company Stock Fund | ** | 246,718 |
| * | Fidelity | Fidelity Freedom 2020 Fund | ** | 239,573 |
| * | Fidelity | Fidelity Equity Income Fund | ** | 191,681 |
| | Rainier | Rainier Small/Mid Cap Fund | ** | 180,538 |
| * | Fidelity | Fidelity Freedom 2035 Fund | ** | 178,457 |
| * | Fidelity | Fidelity Mid Cap Growth Fund | ** | 170,662 |
| * | Fidelity | Fidelity Spartan US Bond Index Fund | ** | 161,661 |
| * | Fidelity | Fidelity Small Cap Stock Fund | ** | 148,394 |
| * | Fidelity | Fidelity Emerging Markets Fund | ** | 129,045 |
| | RS Partners | RS Partners A Fund | ** | 117,442 |
| * | Fidelity | Fidelity Convertible Securities Fund | ** | 111,419 |
| * | Fidelity | Fidelity Independence Fund | ** | 91,069 |
| * | Fidelity | Spartan Extended Market Index Adv Fund | ** | 73,542 |
| * | Fidelity | Fidelity Disciplined Equity Fund | ** | 53,064 |
| * | Fidelity | Fidelity Intermediate Bond Fund | ** | 51,028 |
| | ABF | ABF Large Cap Value Fund | ** | 49,354 |
| * | Fidelity | Fidelity Freedom 2040 Fund | ** | 47,189 |
| * | Fidelity | Fidelity Freedom 2030 Fund | ** | 46,668 |
| * | Fidelity | Fidelity Value Fund | ** | 45,495 |
| * | Fidelity | Fidelity Real Estate Investment Fund | ** | 44,744 |
| * | Fidelity | Fidelity Freedom 2025 Fund | ** | 38,598 |
| | Royce | Royce Opportunity Fund | ** | 28,955 |
| * | Fidelity | Fidelity Fund | ** | 26,817 |
| * | Fidelity | Fidelity Small Cap Independent Fund | ** | 24,031 |
| | Hartford | HTFD Small Cap Growth Fund | ** | 21,178 |
| * | Fidelity | Fidelity Freedom Income Fund | ** | 19,724 |
| | Neuberger Berman | NB International Fund Trust Fund | ** | 17,631 |
| * | Fidelity | Fidelity Freedom 2045 Fund | ** | 13,052 |
| * | Fidelity | Fidelity Freedom 2000 Fund | ** | 11,593 |
| | Goldman Sachs | GS Mid Cap Value Fund | ** | 11,413 |
| * | Fidelity | Fidelity Ultrashort Bond Fund | ** | 2,335 |
| * | Fidelity | Fidelity Freedom 2015 Fund | ** | 114 |
| * | Fidelity | Fidelity Freedom 2005 Fund | ** | 114 |
| | | Total Investments | | $ 5,236,066 |
| * | Participants | Notes Receivable from Participants, with interest rates ranging from 5.50% to 9.00%, maturing through May 2017 | ** | $ 55,700 |

(*) Represents a party-in-interest to the Plan.

(**) Cost information may be omitted for the participant-directed transactions under an individual account plan.

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